This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

ŀTING STATEMENT No. 2120

LISTED AUGUST 27th 1962
2,208,350 Common shares with a par value, of $1 per share, of which 41,600 are subject to issuance.
Ticker abbreviation "AUT"
Post section 10.

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

AUTOMATIC RADIO MFG. CO., INC.

Incorporated Under the Laws of the Commonwealth of Massachusetts on October 11, 1924

COMMON SHARES WITH A PAR VALUE OF $1 EACH

CAPITALIZATION AND FUNDED DEBT AS AT JUNE 21, 1962

CAPITAL STOCK	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
5% Cumulative Preferred Shares with a par value of $100 per share	10,559	10,559	None
Common Shares with a par value of $1 per share	3,000,000	2,166,750 (1)	2,208,350 (2)
FUNDED DEBT		None	

(1) includes 128,335 shares in the treasury.
(2) of which 41,600 are subject to issuance.

June 20, 1962

1. APPLICATION

Automatic Radio Mfg. Co., Inc. (referred to as the "Company") hereby makes application for listing on The Toronto Stock Exchange of 2,208,350 common shares with a par value of $1 per share; 2,166,750 of which are issued and outstanding and 41,600 of which are reserved for issuance in connection with the Company's stock option plan.

2. HISTORY, NATURE OF BUSINESS AND NUMBER OF EMPLOYEES

Refer to the applicable sections of the Prospectus and 1961 Annual Report which form an integral part of this report.

3. INCORPORATION AND CAPITAL CHANGES

The Company was incorporated under the General Laws of Massachusetts on October 11, 1924 and is empowered to participate in a wide variety of business activities. The original authorized capital structure and subsequent amendments is shown in the following tabulation:

COMMON STOCK

DATES OF CHANGES OF AUTHORIZED SHARES	TOTAL AUTHORIZED SHARES	PAR VALUE PER SHARE	TOTAL AMOUNT
October 11, 1924	500	$100	$ 50,000
December 31, 1932	450	100	45,000
October 30, 1936	999	100	99,900
November 12, 1945	99,000	1	99,000
November 12, 1945	200,000	1	200,000
October 20, 1960	3,000,000	1	3,000,000

PREFERRED STOCK

October 20, 1960	10,559	100	1,055,900

4. NO PERSONAL LIABILITY — OPINION OF COUNSEL

Mr. Elliott J. Englander, a member of the firm of Englander, Englander, & Englander, 294 Washington Street, Boston, Massachusetts, General Counsel of the Company has filed in support of this application an opinion dated June 20, 1962 stating the Company is duly organized, lawfully in existence, and all securities are valid, fully paid and non-assessable.

5 SHARES ISSUED DURING PAST TEN YEARS

DATE ISSUED	NUMBER OF SHARES	REALIZATION PER SHARE	TOTAL REALIZED	PURPOSE OF ISSUE
October 5, 1960	2,022,300	NONE	NONE	15 for 1 split by issue of 14 additional shares for each of the 144,450 shares in Treasury and outstanding prior to public offering dated November 16, 1960.
December 29, 1961	78,400	NONE	NONE	4% stock dividend paid out of 206,735 shares in Treasury, Balance of shares in Treasury reduced from 206,735 to 128,335 shares.

6. STOCK PROVISIONS AND VOTING POWERS

Refer to attached Prospectus (page 11) and the 1961 Annual Report "Notes to Financial Statements" Number 3.

7. DIVIDEND RECORD FOR PRECEDING 10 YEARS

4% stock dividend paid December 29, 1961 out of Treasury stock. Shares issued to shareholders equalled 78,400. Common shares outstanding after 4% stock dividend and at present total 2,166,750. No previous dividends had been declared or paid.

No dividends have been declared to date on the 10,559 shares of $100 par 5% cumulative preferred shares outstanding. Arrearage on the preferred stock on the last anniversary date June 30, 1961 equalled $10 per share and totalled $105,590 on the outstanding issue.

8. RECORD OF PROPERTIES

OWNED BY COMPANY OR SUBSIDIARIES

The main plant and principal executive offices are located on Brookline Avenue, Boston, Massachusetts and consist of three adjoining buildings containing about 110,000 square feet of floor space. In addition, there is 40,000 square feet located at 30 Washington Street, Brighton, Massachusetts.

RENTED BY COMPANY OR SUBSIDIARIES

22,000 square feet of manufacturing and office space at 25 Bermondsey Road, Toronto, Canada used in connection with Canadian manufacturing operations.

70,000 square feet of research, manufacturing and office space in Cleveland, Ohio.

32,000 square feet of manufacturing, warehouse and office space in Dallas, Texas.

In addition, the Company also rents warehousing space in various locations throughout the United States.

PRODUCTION MACHINERY AND EQUIPMENT

All production, laboratory and office equipment utilized by the Company is owned by the Company or its subsidiaries and is maintained on a basis consistent with sound operation.

PROSPECTUS

323,750 Shares

AUTOMATIC RADIO MFG. CO., INC.

Common Stock, $1 Par Value

Of the shares offered, 100,000 are being sold by the Company and 223,750 by certain stockholders (see "Selling Stockholders" herein).

The Company intends to apply for listing of its common stock on the American Stock Exchange.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Per Share	*Total*
Price to the Public	$12.75	$4,127,812
Underwriting Discount	1.10	356,125(a)
Proceeds to the Company (a)	11.65	1,165,000(b)
Proceeds to Selling Stockholders (a)	11.65	2,606,687(b)

(a) Certain agreements of indemnity between the Company, the Selling Stockholders and the Underwriters are contained in the Underwriting Agreement. For further information as to this Agreement and as to the underwriting arrangements including finder's fee, see "Underwriting" herein. A partner of the managing underwriter has been elected a director of the Company.

(b) Before deducting expenses connected with the offering estimated at $92,000. The Company and the Selling Stockholders are to share all these expenses in the ratio of the shares offered by each hereunder.

Prior to this offering there has been no quoted market for the shares of the Company.

PAINE, WEBBER, JACKSON & CURTIS

The date of this Prospectus is November 16, 1960.

No dealer, salesman or other person has been authorized to give any information or to make any representations with respect to the Company or its Common Stock other than those contained in this Prospectus, and if given or made such information or representations must not be relied upon. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities in any State to any person to whom it is unlawful to make such offer or solicitation in such State.

The delivery of this Prospectus at any time does not mean or imply that information contained herein is correct as of any time after its date.

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IN CONNECTION WITH THIS OFFERING THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SHARES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED IN THE OVER-THE-COUNTER MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

323,750 Shares

AUTOMATIC RADIO MFG. CO., INC.

Common Stock, $1 Par Value

Transfer Agents	*Registrars*
ROCKLAND-ATLAS NATIONAL BANK OF BOSTON Boston, Massachusetts	THE NATIONAL SHAWMUT BANK OF BOSTON Boston, Masschusetts
THE CHASE MANHATTAN BANK New York, N. Y.	MORGAN GUARANTY TRUST COMPANY New York, N. Y.

TERMS OF OFFERING

The shares offered hereby are initially being offered for sale to the public at the public offering price set forth on the cover of this Prospectus, for delivery when, as and if accepted by the several Underwriters and subject to the approval of their counsel and to the right of the several Underwriters in their discretion to withdraw, cancel or modify this offering without notice and to reject in whole or in part any orders for the purchase of the shares.

It is expected that stock certificates will be available for delivery at the office of Paine, Webber, Jackson & Curtis, 24 Federal Street, Boston, Massachusetts, on or about November 22, 1960.

THE COMPANY

As used in this Prospectus, the "Company" refers to Automatic Radio Mfg. Co., Inc., its predecessors and subsidiaries, unless the context indicates otherwise.

The Company was founded in 1920 by David Housman and his brother, Abraham J. Housman. David Housman has been the chief executive officer continuously to the present. The Company was incorporated in Massachusetts in 1924 and since its organization has been engaged in manufacturing and selling a variety of radios and related products. Its present business consists primarily of manufacturing and selling a full line of radios for use in automobiles, and also portable radios for use in automobiles, homes and farms. The Company in recent years has added other electronic and related products to its lines, primarily antennae which have both commercial and military applications and automobile air conditioners. The Company has also recently begun to engage in the financing of distributors of its products.

PROCEEDS TO COMPANY

The net proceeds to the Company from the sale of the 100,000 shares of Common Stock being sold by it are estimated at $1,136,590 after deducting its share of the expenses of issue. Of the net proceeds to be received by the Company, it expects to devote approximately $1,000,000 to plant expansion, including the acquisition of additional tools and equipment, especially for its automobile air conditioner business and its antenna business. It expects to use the remainder of such net proceeds, together with retained earnings to the extent available, primarily as additional working capital for these and other parts of its business, for which purpose it may in the future also obtain short term borrowings.

CAPITALIZATION

The capitalization of the Company is set forth in the table below. The table reflects the authorization of the Company's 5% Cumulative Preferred Stock and its issuance to certain stockholders of the Company in exchange for all of the common stock in affiliated companies previously owned by such stockholders. The table also reflects a recent 15 for 1 split-up in the Common Stock. These changes in the capital stock were made under a plan of recapitalization which was consummated on November 16, 1960.

	Authorized	Outstanding November 16, 1960	Outstanding on Completion of this Financing
First Mortgage 3% Note, payable quarterly	$84,098	$82,298	$82,298
5% Cumulative Preferred Stock ($100 par value) (1)	10,559 shs.	10,559 shs.	10,559 shs.
Common Stock ($1 par value) (1)	3,000,000 shs.	1,860,015 shs. (2)	1,960,015 shs. (3)

(1) See Note E to financial statements for details of recapitalization.

(2) Not including 306,735 shares held in the treasury.

(3) All of the shares being sold by the Company are shares held by it in its treasury.

(4) The Company's obligations under leases of real property are described in Note G to the financial statements herein.

COMBINED STATEMENT OF INCOME AND RETAINED EARNINGS

The following combined statement of income and retained earnings includes the results of operations of Automatic Radio Mfg. Co., Inc. and its subsidiaries, including the results of operations of four companies which were acquired by the Company as of June 30, 1960 as more fully explained in Notes A and E to financial statements. The statement, in so far as it relates to the five years ended September 30, 1959, has been examined by M. Jay Chaikin, independent public accountant, and as it relates to the year ended September 30, 1960 by Price Waterhouse & Co., independent public accountants, whose opinions thereon appear elsewhere in this Prospectus. This statement should be read in conjunction with the financial statements, the notes and the opinions of independent public accountants relating thereto included elsewhere in this Prospectus.

	Year ended September 30					
	1955	1956	1957	1958	1959	1960
Net sales	$ 4,110,994	$ 6,053,333	$ 9,780,453	$11,720,966	$13,871,695	$15,075,687
Cost of sales (Note B)	$ 3,222,569	$ 4,886,888	$ 7,693,001	$ 8,214,772	$ 8,867,188	$ 9,998,533
Selling, general and administrative expenses	587,137	711,069	906,384	1,085,155	1,244,533	1,566,230
Interest expense	9,634	13,054	6,649	15,489	25,252	17,095
Other (income) net of sundry charges	(44,636)	(43,231)	(46,715)	(51,676)	(61,673)	(42,323)
	$ 3,774,704	$ 5,567,780	$ 8,559,319	$ 9,263,740	$10,075,300	$11,539,535
Income before income taxes	$ 336,290	$ 485,553	$ 1,221,134	$ 2,457,226	$ 3,796,395	$ 3,536,152
United States and Canadian income taxes:						
United States	(129,735)	(187,256)	(519,890)	(1,194,916)	(1,868,736)	(1,660,000)
Canadian	(21,214)	(36,253)	(78,475)	(45,421)	(78,098)	(110,000)
Net income	$ 185,341	$ 262,044	$ 622,769	$ 1,216,889	$ 1,849,561	$ 1,766,152
Retained earnings at beginning of period	830,627	1,015,968	1,278,012	1,539,694	2,705,072	4,554,633
Retained earnings of four companies acquired as of June 30, 1960 eliminated in connection with their acquisition for preferred stock (Note A)						(1,051,960)
Retained earnings at date of acquisition of two companies purchased during 1957 and one company purchased during 1958			(361,087)	(51,511)		
Retained earnings at end of period	$ 1,015,968	$ 1,278,012	$ 1,539,694	$ 2,705,072	$ 4,554,633	$ 5,268,825
Earnings per share of Common Stock (Note 2)	$.09	$.13	$.32	$.65	$.99	$.95

NOTE 1:

Alphabetical notes refer to notes to financial statements included elsewhere in this Prospectus.

NOTE 2:

The net earnings per share of Common Stock have been computed on the basis of the average number of shares of Common Stock outstanding during the respective periods after giving effect to the 15 for 1 stock split approved by the stockholders on October 20, 1960 (Note E). The earnings per share of Common Stock do not give effect to the dividend requirements of the 5% Cumulative Preferred Stock (Note E). The annual dividend requirements of such Preferred Stock will be $52,795 or about $.03 per share of Common Stock outstanding at September 30, 1960 after giving effect to the 15 for 1 stock split mentioned above.

NOTE 3:

No dividends have ever been paid or declared on the Common Stock of the Company.

The Company believes that net earnings for the year ended September 30, 1960 were adversely affected primarily because of start-up costs in connecton with the mobile antennae and air conditioning businesses.

DIVIDEND POLICY

The Company has never paid any dividends. It has no present intention of paying dividends on its Common Stock, since it believes that its earnings probably will be required to finance further plant additions and future operations.

BUSINESS

Products and Recent Developments

The Company is one of the oldest manufacturers of radio and related apparatus in the United States and is now one of the major manufacturers of radios for installation in automobiles in the after-car market. As a matter of policy, the Company has not supplied radios to automobile manufacturers under contract. All the automobile radios made by the Company are sold for installation by dealers in new cars, are installed as replacements, or are installed after the initial delivery of the automobile. While the Company also manufactures a wide variety of home radios, portable radios and radios for use on farms and in other special applications, in recent years sales of radios for use in automobiles have amounted to well over half of all its sales.

The Company believes that it manufactures more of its own parts and components than do most of its competitors. It has several sources of supply for all the essential parts and components which it purchases from others. It has taken an important role in the development, manufacture and sale of radio communications equipment utilizing transistors and other semi-conductor devices. The use of such devices has resulted in smaller radios with longer life, greater reliability and, perhaps most important in portable and auto radios, lower power consumption than is possible with conventional components.

In September of 1959 the Company acquired for $150,000 in cash the inventories and other physical assets of the mobile antenna division of Radiart Corporation. A large portion of Radiart's employees in that division continued as employees of the Company after the sale. The Company, through its New-Tronics Division, now carries on the mobile antenna business formerly carried on by Radiart, consisting primarily of research in and development and manufacture of various types of antennae for commercial, industrial and military applications. This Division has automated facilities for coaxial cable manufacturing, for braiding wire and cable and for plating and machining parts.

On June 30, 1960, the Company purchased all of the outstanding capital stock of Trans American Corp., Automatic Export Sales Corp., Crystal Radio of Canada Limited and Automatic Radio of Canada Limited from David Housman and his sons, whose stock ownership in the purchased companies was in roughly the same ratio as in the Company on that date. The shares were acquired by the Company in exchange for 5% Cumulative Preferred Stock of the Company of an aggregate par value of $1,055,900, which is equal to the aggregate net book value of the shares in the companies acquired.

Trans American Corp. and Automatic Export Sales Corp. are engaged in selling the Company's products for delivery to customers in foreign countries. The businesses of Automatic Radio of Canada Limited and Crystal Radio of Canada Limited are described below under "Customers".

In 1959, the Company entered into the automobile air conditioner business and organized a new wholly owned subsidiary, Vornado Auto Air Conditioner Corp., to carry on this business. The first deliveries of automobile air conditioners were made in April of 1960.

To expand the auto air conditioner manufacturing facilities the Company has contracted for new machinery for installation in space now available or in an addition to its Brighton, Massachusetts plant which is now under consideration. Installation of this equipment will substantially increase the Company's productive capacity for automobile air conditioners.

Another recent expansion of the Company's business has been its creation of Automatic Finance Corp. in August 1958 to finance distributors of the Company's products. In this way the Company hopes to provide for growth by its distributors which will sustain substantial growth in the Company's own business.

The Company may acquire other businesses compatible with its own, but no negotiations for any such acquisition are pending.

Customers

The Company's customers include distributors of automobile parts and accessories, distributors of electronic supplies, mail order and catalog houses, chain stores and the United States and foreign governments. The Company sells most of its products under its own name, but also makes some sales under private brand names and some sales of air conditioners under the name Vornado. During each of the last two years direct sales to the United States Government amounted to less than 1% of all the sales of the Company and its subsidiaries and sales for United States Government's end use amounted to less than 5%.

The Company manufactures and distributes its products in Canada through Automatic Radio of Canada Limited and Crystal Radio of Canada Limited, wholly owned subsidiaries. In addition, in Mexico and other foreign countries, it sells its products, or components which can be assembled into its products, under its own name through foreign sales representatives. The classes of customers in Canada, Mexico and other foreign countries are substantially the same as in the United States. During each of the last two years foreign sales, including sales in Canada and Mexico, were about 15% of all sales.

Competition

There is active competition in each of the fields in which the Company does business. There are a number of well established companies, some larger than the Company, which manufacture and sell automobile radios, as well as products competing with the Company's products either directly or by virtue of being adaptable to the same applications. Some radio manufacturers who sell automobile radios direct to automobile manufacturers presumably sell more automobile radios than the Company.

The Company's competition in automobile and other radios is of long standing and is led by some of the country's major corporations. The competition in automobile air conditioners is divided among companies which sell factory-installed units at a listed price of $500 to $600, and other enterprises, including the Company, which supply units at considerably lower prices. To date, foreign competition has not been material with respect to sales of the Company's products.

The Company relies primarily on its own modifications of established designs in the development and manufacture of its products and does not have substantial patent protection for them, except for one patent relating to air conditioners which it considers valuable but not essential to its air conditioner business.

Employees

The Company now employs approximately 800 persons. Relations with employees have been satisfactory.

Substantially all the employees are or will, upon remaining with the Company for three years, become entitled to the benefits of a profit sharing retirement plan under which the Company makes the entire contribution. See "Profit Sharing Retirement Plan". The Company also at its own expense maintains a life insurance program for all employees, and it contributes toward the cost of hospitalization and medical expense insurance for its employees.

PROPERTY

The Company's main plant and principal executive offices are located at 122 Brookline Avenue in Boston, Massachusetts. The building is a three-story brick structure, built about 40 years ago and occupied by the Company since 1936, containing about 80,000 square feet of floor space. It is owned by Brookline Avenue Realty Corp., a wholly owned subsidiary of the Company, and is leased to the Company. The Company acquired all of the shares of Brookline Avenue Realty Corp. in 1957 from David Housman and his brother, A. J. Housman, in excess of their cost as described in Note C to the financial statements appearing on page 21. The building has been modernized and, though located in a thickly settled metropolitan area, has efficient shipping and receiving facilities. In addition, the Company has recently purchased another building in the same block having about 15,000 square feet of floor space and has contracted to purchase a third building with about 15,000 square feet of floor space adjoining its building at 122 Brookline Avenue on one side and the recently acquired building on the other.

Another wholly-owned subsidiary of the Company owns a building containing approximately 40,000 square feet of space at 30 Washington Street, Brighton, Massachusetts, most of such space being occupied by Vornado Auto Air Conditioner Corp. for the manufacture of automobile air conditioners. The stock of the subsidiary owning 30 Washington Street was acquired in 1958 from David Housman and A. J. Housman, in excess of their cost as described in Note C to the financial statements appearing on page 21. The Company is considering making an addition to the building at 30 Washington Street to increase the space to approximately 80,000 square feet, but has not made any commitment to do so.

In addition to the foregoing, the Company leases approximately 22,000 square feet of manufacturing space at 25 Bermondsey Road, Toronto, Canada in connection with Canadian manufacturing operations, and approximately 58,000 square feet of modern manufacturing space in Cleveland, Ohio used for research in and manufacture and production of antennae. The Toronto property is rented for $33,000 per year under a net lease from a corporation, about 30% of whose stock was owned by David Housman until recently, when he sold his shares to his brother living in Toronto. The property is subject to a mortgage in the amount of $117,500 held by Trans American Corp., a wholly-owned subsidiary of the Company.

All production machinery and equipment is owned by the Company or its subsidiaries and is maintained and repaired continually on a basis consistent with sound operation. The Company fully utilizes the properties presently owned and leased by it, including 25,000 square feet of temporary warehouse space in Boston.

MANAGEMENT AND CONTROL

Directors and Executive Officers

The Company's officers and directors are as follows:

Name	Office
David Housman	President, Treasurer and Director
Edward L. Housman	Executive Vice President and Director
John J. Grady	Clerk and Director
Charles J. Housman	Assistant Treasurer and Director
Albert Pratt	Director
Roy W. Lawson	Director

David Housman has been the President and a Director and John J. Grady has been Clerk of the Company since its incorporation. Edward L. Housman, 39 years of age, and Charles J. Housman, 33, are sons of David Housman and have been actively engaged in various aspects of the Company's business for more than 15 years.

The above directors and officers as a group presently own beneficially and of record about 67% of the Company's outstanding Common Stock and about 81% (8,589 shares) of its outstanding 5% Cumulative Preferred Stock. Edward L. Housman and Charles J. Housman each owns 8.47% of the Company's outstanding Common Stock, the numbers of shares so owned being 157,635 and 157,620, respectively. For the holdings of Common Stock of David Housman and John J. Grady, see "Selling Stockholders".

Albert Pratt has been a partner in the firm of Paine, Webber, Jackson & Curtis for more than five years. Roy W. Lawson is Senior Vice President and a director of Rockland-Atlas National Bank of Boston, and has been associated with that bank for more than 25 years. Messrs. Pratt and Lawson do not now own any stock of the Company.

Remuneration of Officers and Directors

The direct remuneration paid by the Company and its subsidiaries during its fiscal year ended September 30, 1960 and estimated to be paid for its fiscal year to end September 30, 1961 for services

in all capacities to each director and each of the officers whose aggregate direct remuneration plus the credit to his account under the employees' profit sharing retirement plan exceeded or will exceed $30,000 is approximately as follows:

Name	Capacities in which remuneration received	Aggregate direct remuneration: Year ended Sept. 30, 1960	Aggregate direct remuneration: Year ended Sept. 30, 1961 (Estimated)	Accumulated retirement plan contributions from 1944 to Sept. 30, 1960
David Housman	President and Treasurer	$50,000	$75,000	$84,000
Edward L. Housman	Executive Vice President	29,000	50,000	16,500
John J. Grady	Clerk	30,000	35,000	29,500
Charles J. Housman	Assistant Treasurer	27,000	40,000	14,500
All officers and directors as a group		148,500	200,000	218,500

Aggregate direct remuneration stated above does not include amounts estimated to be payable for the accounts of the officers under the Company's employees' profit sharing retirement plan, which for the 1960 and 1961 fiscal years respectively are as follows: David Housman, $7,200 and $11,000; Edward L. Housman, $4,000 and $7,500; John J. Grady, $4,000 and $5,000; Charles J. Housman, $3,000 and $6,000. See "Profit Sharing Retirement Plan".

In January 1960 Automatic Export Sales Corp. made an interest-free loan of $100,000 to David Housman at a time when he and his sons owned all its shares. This loan was repaid in June 1960, before Automatic Export Sales Corp. became a wholly-owned subsidiary of the Company.

Profit Sharing Retirement Plan

Since 1944 the Company has had a profit sharing plan under which an amount equal to the lesser of 10% of net income before federal income taxes, or 15% of wages and salaries of persons under the plan, is contributed by the Company to the trustees under the plan to provide retirement payments for all employees who have been with the Company for more than one year as of the end of the fiscal year for which the payment is computed. Payments are credited among the employees under the plan in proportion to the aggregate fixed remuneration of such employees. In the fiscal years ended September 30, 1959 and 1960 such contributions amounted to 15% of wages and salaries of the eligible employees.

Restricted Stock Options

On October 20, 1960, the stockholders approved a restricted stock option plan under which options may be granted to a limited number of key officers and employees for the purchase of not more than a total of 40,000 shares of the new Common Stock of the Company. This total is subject to adjustment in the event of a recapitalization or similar event. Participants may include directors who are full-time employees of the Company. Under the plan options are to be granted to each participant pursuant to an agreement with the Company providing that the option price per share shall be no less than 95% of the fair market value at the time the option is granted (except that in the case of a participant who owns 10% or more of the voting securities of the Company the option price shall be not less than 110% of the fair market value at the time the option is granted); that options must be exercised not less than 18 months and not more than 10 years from the date granted (except that options held by participants owning 10% or more of the voting securities of the Company must be exercised not more than five years from the date granted); that shares purchased pursuant to any option must be paid

for in full at the time of purchase; that options shall expire upon termination of employment for reasons other than death; and that no option may be transferred by a participant otherwise than by will or by the laws of descent and distribution.

The plan is administered by a stock option committee composed of three directors of the Company. No member of this committee may receive an option under the plan while he is acting as such but he may become a member after having received an option. No options have as yet been granted under this Plan. It is not contemplated that any option will be granted to any member of the Housman family.

SELLING STOCKHOLDERS

There is set forth in the following table certain information as to the stockholders who together are selling 223,750 of the shares offered hereby.

Selling Stockholder	Common Stock Owned		Shares to be Sold	Common Stock to be Owned After Sale	
	Shares	% of Class		Shares	% of Class
David Housman	916,965	49.30	220,000	696,965	35.56
John J. Grady	15,000	.81	3,750	11,250	.58
Total	931,965	50.11	223,750	708,215	36.14

All shares shown as "owned" are owned beneficially and of record.

DESCRIPTION OF COMMON STOCK

The holders of Common Stock are entitled to dividends when, as and if declared by the Board of Directors out of assets legally available therefor. The Company's 5% Cumulative Preferred Stock provides that no dividends shall be paid on, or purchases made of, the Common Stock when any dividend payable in respect of the Preferred Stock has not been paid. No additional stock ranking prior to or equal with the Preferred Stock shall be issued without the affirmative vote of holders of at least two-thirds of the outstanding shares of Preferred Stock. The Preferred Stock may be redeemed at any time in whole or in part at $100 per share plus accrued dividends. On liquidation, assets of the Company remaining after payment of liabilities would be allocated first to the holders of the Preferred Stock in an amount equal to the par value of the preferred shares outstanding plus any dividend arrearages thereon; the remaining assets would be divided among the holders of Common Stock according to the number of shares held. Holders of Common Stock have no preemptive rights, and no conversion or redemption privileges, and are entitled to one vote per share. The outstanding shares of Common Stock are, and the shares of Common Stock offered hereby upon issuance thereof will be, fully paid and non-assessable.

Non-Cumulative Voting

The shares of Common Stock have non-cumulative voting rights, which means that the holders of more than 50% of the shares voting for the election of directors can elect 100% of the directors if they choose to do so and that, in such event, the holders of the remaining less than 50% of the shares voting for the election of directors will not be able to elect any person or persons to the Board of Directors.

EXPERTS AND LEGAL OPINIONS

The combined balance sheet as at September 30, 1960, and the related combined statement of income and retained earnings in so far as it relates to the year ended September 30, 1960, included in this Prospectus, have been examined by Price Waterhouse & Co., independent public accountants. The combined statement of income and retained earnings for the five years ended September 30, 1959 included in this Prospectus has been examined by M. Jay Chaikin, independent public accountant. The certificates of Price Waterhouse & Co. and of M. Jay Chaikin as to the statements examined by them are included elsewhere in this Prospectus. Such financial statements have been included in this Prospectus and in the Registration Statement in reliance upon the opinions of such firms as expressed in such certificates and upon their authority as experts.

Legal matters in connection with the offering of the shares are being passed upon by Messrs. Ropes, Gray, Best, Coolidge & Rugg, 50 Federal Street, Boston, Massachusetts, counsel for the Company and the Selling Stockholders, and by Messrs. Herrick, Smith, Donald, Farley & Ketchum, 294 Washington Street, Boston, Massachusetts, counsel for the Underwriters.

CONCERNING THE REGISTRATION STATEMENT

The Company has filed with the Securities and Exchange Commission in Washington, D. C., a Registration Statement for the shares offered hereby. For further information about the Company and the shares reference is made to this Registration Statement, which may be inspected at the office of the Commission without charge, and copies of which may be obtained from the Commission upon the payment of its regular schedule of copying charges therefor.

ANNUAL REPORT 1961

AUTOMATIC RADIO MFG. CO., INC.

BOARD OF DIRECTORS	David Housman Edward L. Housman John J. Grady Charles J. Housman Albert Pratt Roy W. Lawson
OFFICERS	David Housman, President Edward L. Housman, Executive Vice President Charles J. Housman, Treasurer John J. Grady, Clerk
AUDITORS	Haskins & Sells
TRANSFER AGENTS	State Street Bank and Trust Company, Boston The Chase Manhattan Bank, New York
REGISTRARS	The National Shawmut Bank of Boston Morgan Guaranty Trust Company, New York
SUBSIDIARY COMPANIES	Autobiotronics Industries, Inc. Automatic Export Sales Corp. Automatic Finance Corp. Automatic Leasing Corp. Automatic Radio of Canada, Ltd. Automatic Radio Mfg. Co. of Texas Inc. Automatic Radio of Texas, Inc. Automatic Radio Sales Inc. Crystal Radio of Canada, Ltd. Multiplex Corp. Trans American Corp. Vornado Air Conditioner Corp. Wood Products Company

AUTOMATIC RADIO MFG. CO., INC.

ANNUAL REPORT 1961

ANNUAL MEETING

The annual meeting of the stockholders will be at 11:15 a.m., Tuesday, January 18, 1962, Bay State Room, Sheraton Plaza, Boston, Mass.

THE PRESIDENT'S LETTER TO OUR STOCKHOLDERS

This, the first annual report since the company's public stock offering on November 16, 1960, gives me the opportunity to extend a cordial welcome to our many new friends and stockholders. Our accomplishments of this past year and plans for the future of the company are as follows:

The first year of public ownership was a gratifying one, during which Automatic Radio set new records in sales, improved its position in all of its major product lines, and continued its planned program of diversification.

Sales for the year ended September 30, 1961 were $15,308,354, a new high for the company. All our operations contributed healthily to this sales increase, and we feel sales would have been even greater but for the automobile strike, severe weather and general poor business conditions during the first half of the fiscal period.

It is appropriate to digress for a moment here to make a point about sales in our industry. Traditionally, due to the nature of the automobile industry, sales during the first half of the car year normally are lower than during the second half, with steady improvement during the second half. Our diversification is planned to augment our sales program to provide steady sales year round.

Through our research and development program, we moved into new areas of activity during the year. The resulting products flowing from such research and development hold promise of opening new horizons for the company and its subsidiaries.

Continued expansion during the year included acquiring additions to our manufacturing space in Boston and new engineering and sales facilities in Dallas for the manufacture of automobile and truck air conditioners. The modernization program of our existing facilities has moved steadily forward with the anticipation of lower operating costs and greater productive efficiency.

Research and development, diversification and plant expansion are, of course, an investment in the future. While they do detract from the earnings for the current year, which were $1,169,231, such actions may well be a vital factor in vastly improved earnings in the years ahead.

Common stock in Automatic Radio was made available to the public and the additional capitalization derived therefrom, enabled the company to expand its facilities at a greater rate.

In March, to make our stock more available to investors, we were listed on the American Stock Exchange. The major result of the company's public offering and listing is that its financial position has been strengthened. The company has no current borrowings.

During the year, Automatic Radio has added considerably to its staff, recruiting new personnel outstanding in their respective fields; thereby strengthening our management team which will help insure our future growth.

We have initiated an extensive marketing program. A new corporate symbol, as shown elsewhere in this report, has been created and a new look given to our advertising and promotional literature, dedicated to the principle, **"Progress through Achievement."**

The steps taken during the year, and those contemplated for the future, as well as the continuance of already proven policies will, we believe, strengthen our sales position. Through the development of new products, the continued demand from customers and the anticipated favorable conditions in the economy, 1962 sales should set new records in your company's volume and profits.

Most of our endeavors are and shall remain in the commercial field, however during this period of international crisis, we are once again directing our talents and experience to governmental programs.

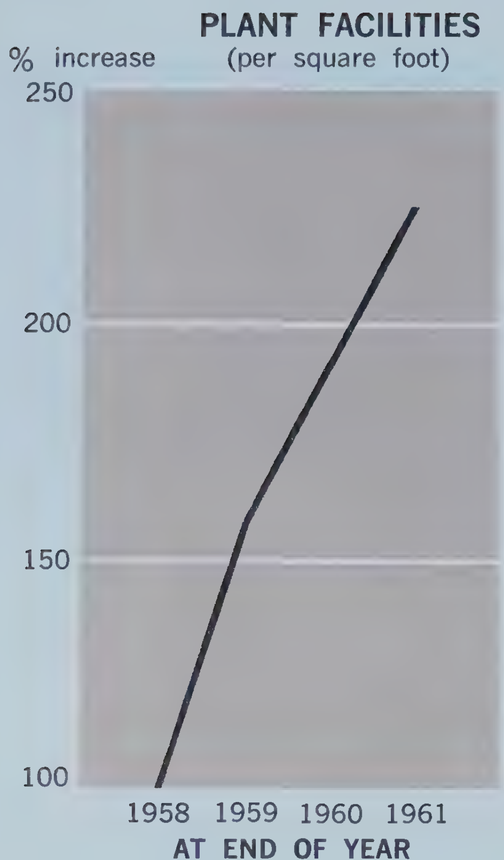
The forward strides accomplished during this first year of our public life could not have been taken without the good will and cooperation of our shareholders, employees, customers and suppliers. I wish to acknowledge and express my sincere appreciation to all.

Sincerely yours,

David Housman

President

AUTOMATIC RADIO IN REVIEW



The dynamic phrase, **"Progress through Achievement,"** vividly portrays the planning, programming, and activities of AR for a period of over 40 years and further exemplifies the aims of the company and philosophy of management for the future goals of this pioneering firm.

Since its founding in 1920, AR has expanded its operations and maintained consistent growth as a result of its numerous products and experienced and capable management team. In times of prosperity, depression, peace and war, AR has moved steadily ahead, increasing its market position and establishing its enviable reputation. Each growth level has been attained by recognition of market potential and development of appropriate products.

The year 1961 was a big year; a year of important decisions, exciting new product unveilings, and important events which will have a beneficial effect upon AR and its stockholders.

This year started with the invitation to the investing public to become co-owners of AR. The favorable public acceptance of this invitation better enabled the company to continue its plans for expansion, diversification and development of new products, thereby permitting AR to chart its course of progress with greater certainty, and over a wider scope.

The plans and progress were fast in fruition, as evidenced by the expansion of the company's manufacturing plant in Boston, the acquisition of additional facilities for production in Dallas, and the establishing of central marketing distributional locations in Atlanta, Cleveland, Phoenix, Las Vegas, Los Angeles and San Francisco.

In Boston, production space was increased approximately fifty per cent with the acquisition of adjoining buildings. A portion of the newly available area will be utilized by Multiplex Corp., a new subsidiary for the manufacture of FM radios capable of receiving multiplex broadcasting. The expansion also permitted AR to increase the number of personnel in engineering, research and development.

Toward the close of the year, the company acquired a manufacturing plant in Dallas, the heart of the nation's vehicle air conditioning market. The Vornado and Automatic automobile and truck cab air conditioners will be manufactured at this location. In addition, the Dallas location will be utilized in a dual capacity — regional headquarters for marketing and for the servicing of AR's many products.

Among the major accomplishments that will have many beneficial long-range effects upon the company are:

- Production capacity for AR products will be increased substantially.
- Expansion space for research and development of new products will be made available.
- Manufacturing work flow, quality control and customer service are being constantly improved.

AUTOMATIC RADIO AND ITS COMPONENTS

Just as a radio has numerous components, AR has numerous divisions and subsidiary companies, each making substantial contributions, not only in sales but also in product advances which help support the claim of **"Progress through Achievement".**

VORNADO AUTO AIR CONDITIONER CORP.

During this year of production of air conditioners for vehicles, the Vornado and the Automatic automobile air conditioners were well received by the consumer. Each model incorporated advanced concepts, thus earning ratings substantially above the products of our competitors. The Vornado subsidiary in conjunction with AR's Research and Development Laboratory developed two new major products during the year — a truck cab air conditioner which features several important advantages over any other similar product on the market and the Vionizer, which produces healthful negative ions. The Vionizer was initially introduced with Vornado and Automatic automobile air conditioners and still is the only product of its kind on the market.

Research has shown that negative ions are instrumental in helping to create a feeling of well-being and alertness, enabling the operator of a vehicle to be a safer, more responsive driver. It is further indicated that such a revolutionary product will have far-reaching effects for the benefit of helping to relieve allergies such as hay fever, asthma, and other respiratory ailments as reported in Readers Digest, February 1961, House Beautiful, March 1961, and other leading national publications.

NEW-TRONICS DIVISION

A strong research and development program at the New-Tronics Division of Automatic Radio in Cleveland resulted in a major addition to the subsidiary's product line of communications antennas. Added to the line during the year was a new patented antenna for use with citizen band radio. This antenna already is broadly used by police and fire department communications systems, radio amateurs and all other areas of communications.

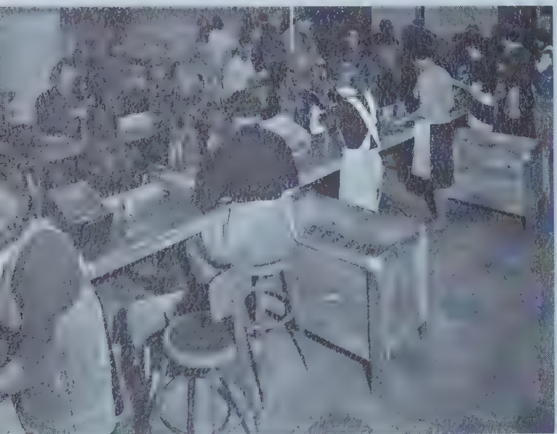
Another avenue in which the division is showing increased strength is aircraft antennas, a growth area. New-Tronics is currently working on a contract, supplying antennas to a major producer in the line of private and business aircraft.

AUTOMATIC FINANCE CORP.

Strong emphasis is placed on making available to our many outlets of distribution aid to further your company's efforts.








To insure this continued growth of the company's sales, Automatic Finance Corporation was organized in 1958 to provide the added financial assistance to its distributors. This will help sustain the rapid growth in its distribution channels.

MULTIPLEX CORP.

This new subsidiary, with headquarters at the parent company in Boston, was formed to develop and produce radios capable of receiving multiplex, namely stereo broadcasting on a single FM band. Subsequent to the formation in May of 1961, Multiplex Corp., assumed research and development work in this field previously carried on by AR.

Multiplex broadcasting, appropriately termed "the greatest thing in broadcasting since television", enables stereophonic programming to be transmitted on a single FM wave, which introduces a new listening dimension. Previously, to transmit and receive stereophonic broadcasting, two wave lengths and two radio receivers were required.

The new system already has proven extremely important to the broadcasting industry, and Multiplex Corp is benefiting from its early entry into this field.

VORNADO LEASING CORP.

Recognition of the problems involved in capital outlay often encountered by owners and operators of fleets of automobiles and trucks were responsible for the formation during 1961 of Vornado Leasing Corp.

This subsidiary markets the Vornado automobile and truck air conditioners through a leasing program to major fleet owners. It is also the intention to investigate and develop the advantages of a leasing program concerning other AR products.

MARKETING

Progressive selling best characterized the marketing program for Automatic Radio products during 1961. The company's continuing program of quality improvement combined with customer service enabled AR to expand its markets and increase sales beyond 1960 levels despite general adverse economic conditions.

A supporting feature to the marketing program was the establishment of a new warranty program for customer satisfaction.

Over the years Automatic Radio has marketed its products under its own name and through private brand names in encompassing the domestic and foreign markets. The marketing facilities include most of this country's largest chain stores, mail order and catalogue houses, electronic suppliers and distributors of automobile parts and accessories.

In support of this distribution system, the company in 1961 began an increased program of consumer and trade advertising

and publicity to acquaint more people with Automatic Radio and its products.

Highlighting this program was a series of advertisements directed to acquaint the public and the potential purchaser of AR products.

The marketing effort was furthered throughout Canada by the activities of Automatic Radio of Canada, Limited and Crystal Radio of Canada, Limited, both wholly-owned subsidiaries engaged in the manufacture and distribution of AR products.

PERSONNEL

The loyal and efficient services of our employees have been a primary factor in the progress of your company.

We feel that it is extremely important that the individuals who create, produce and sell our products work in a harmonious atmosphere that offers each person an opportunity for growth, expression and participation. To this we add experience and qualified leadership, giving us the combination from which emits a spirit of togetherness, unifying our efforts to surpass the several fields of competition in which we engage.

Automatic Radio has approximately 800 employees. An ample supply of production labor is available in the areas where our plants are located. The company provides many fringe benefits to further enhance employer — employee relationships.

RESTRICTED STOCK OPTION PLAN

The Company has a "Restricted Stock Option Plan" providing for the issuance to key executive employees of "restricted stock options," as defined in Section 421 of the Internal Revenue Code of 1954, entitling such employees to acquire an aggregate of 40,000 shares of the Common Stock at 95% of the market price of such shares on the date of grant of the option. Shares not purchased upon exercise of options which expire or terminate may be made subject to options subsequently granted. The number of shares which may be purchased on exercises of outstanding options is subject to adjustment upon increases or reductions on the outstanding number of shares of the Common Stock by way of split-ups, readjustments or stock dividends.

PRODUCT PROGRESS

Research and development conducted by our Engineering Department in radio, air conditioning and mobile communications has made excellent progress, and was responsible for numerous new products during the year. Included were improved models of previously established lines, as well as products soon to make their initial appearance. Among the new developments in our diversification program will be our Advance Medical Electronic Equipment. Products within this line are near completion and will be offered for sale and delivery in the immediate future.

AUTOMATIC RAD
AND SUB

CONSOLIDATED BALANCE S

ASSETS

CURRENT ASSETS:		
Cash		$ 1,555,686
Trade accounts receivable	$2,045,697	
Less allowance for doubtful accounts	26,916	2,018,781
Inventories — at the lower of cost (first-in, first-out) or market		5,239,666
Mortgage instalments receivable within one year		16,529
Prepaid insurance and other current assets		74,427
Total current assets		8,905,089
MORTGAGES AND NOTES RECEIVABLE, ETC.		250,739
INVESTMENT IN AND ADVANCES TO AFFILIATE (Note 1)		48,474
PROPERTY, PLANT, AND EQUIPMENT (Note 2):		
Land	289,996	
Buildings	1,078,363	
Machinery and equipment	638,653	
Leasehold improvements	83,732	
Total	2,090,744	
Less accumulated depreciation and amortization	421,058	1,669,686
TOTAL		$10,873,988

The accompanying Notes to Financial Staten

MFG. CO., INC.
IARIES
T, SEPTEMBER 30, 1961

LIABILITIES AND CAPITAL

CURRENT LIABILITIES:		
Accounts payable		$ 934,138
Federal, state, and Canadian income taxes		776,942
Payable to profit sharing fund		184,000
Sundry accrued liabilities		84,418
Due to officers		18,782
Mortgage note payable, portion due within one year		4,910
Total current liabilities		2,003,190
MORTGAGE NOTE PAYABLE, 3% — Due in quarterly instalments of $1,800, including interest		73,253
CAPITAL AND RETAINED EARNINGS (Note 3):		
Preferred stock, 5% cumulative, par value $100 per share — authorized, issued, and outstanding, 10,559 shares	$1,055,900	
Common stock, par value $1 per share — authorized, 3,000,000 shares; issued and outstanding, 2,166,750 shares	2,166,750	
Paid-in capital	1,240,883	
Retained earnings	4,415,756	
Total	8,879,289	
Less 206,735 shares of common treasury stock, at cost	81,744	8,797,545
TOTAL		$10,873,988

are an integral part of this balance sheet.

AUTOMATIC RADIO MFG. CO., INC.
AND SUBSIDIARIES

STATEMENT OF CONSOLIDATED INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED SEPTEMBER 30, 1961

NET SALES		$15,308,354
COST OF SALES		11,102,988
GROSS PROFIT ON SALES		4,205,366
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES		1,881,835
PROFIT FROM OPERATIONS		2,323,531
OTHER INCOME (CHARGES):		
Adjustment of prior years' taxable income, less applicable Federal and state income taxes and interest expense	$ 36,451	
Miscellaneous	7,371	
Loss on Canadian exchange fluctuations	(21,016)	22,806
INCOME BEFORE TAXES ON INCOME		2,346,337
PROVISION FOR INCOME TAXES:		
Federal and Canadian	1,048,665	
State	128,441	1,177,106
NET INCOME		1,169,231
RETAINED EARNINGS AT BEGINNING OF YEAR		5,268,825
Total		6,438,056
LESS AMOUNT TRANSFERRED TO COMMON STOCK IN CONNECTION WITH 15 FOR 1 STOCK SPLIT (Note 3)		2,022,300
RETAINED EARNINGS AT END OF YEAR		$ 4,415,756

The provision for depreciation and amortization of property, plant, and equipment amounted to $112,477.

The accompanying Notes to Financial Statements are an integral part of this statement.

AUTOMATIC RADIO MFG. CO., INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

1. Principles of Consolidation, Etc. — The consolidated financial statements include the accounts of Automatic Radio Mfg. Co., Inc. and all of its wholly-owned subsidiaries.

   At September 30, 1961 the carrying value (cost) of the Company's investments in the capital stocks of its wholly-owned subsidiaries exceeded its equity in the net assets of the subsidiaries by $650,849. This excess has been allocated in the consolidated financial statements as follows: charged to property, plant, and equipment, $938,967, as described in Note 2; credited to retained earnings, $280,494, representing the undistributed earnings of the subsidiaries since dates of organization or acquisition; and credited to paid-in capital, $7,624. All material intercompany items have been eliminated.

   The consolidated financial statements do not include the accounts of ACAR Inc., 50% of whose outstanding capital stock was acquired in the year ended September 30, 1961. The Company's investment is approximately equivalent to its 50% equity in the net assets of ACAR Inc. as of September 30, 1961.

   The net assets of two Canadian subsidiaries have been converted to U. S. dollars using exchange rates in effect at September 30, 1961.

2. Property, Plant, and Equipment — Property, plant, and equipment includes the amount of $938,967 which represents the excess of the aggregate consideration paid by the Company for the capital stocks of two wholly-owned realty subsidiaries over the aggregate amounts of their net assets at the dates of acquisition. In the statement of consolidated income and retained earnings, depreciation has been provided for on the portion of this excess allocated to buildings. The depreciation charge on this excess amounts to $18,400 in the current year and aggregates $68,823 since the dates of acquisition. Appraisals of the current fair market value of the land and buildings were obtained by the Company from an independent appraiser which support the amount at which they are included in the consolidated balance sheet. Other property, plant, and equipment is included in the consolidated balance sheet at cost.

3. Capital, Retained Earnings, and Stock Option Plan — Terms of the preferred stock provide that dividends will accrue from June 30, 1960, and that holders of the preferred stock will be entitled to $100 per share plus unpaid dividends in the event of liquidation of the Company or redemption of the stock. The preferred stock is subject to redemption in whole or in part at the option of the Company. At September 30, 1961, $65,994 of dividends on the preferred stock had accrued but had not been declared and are not included in the accompanying financial statements.

   The stockholders, at a meeting held October 5, 1960, voted to increase the authorized common stock from 200,000 shares of $1 par value to 3,000,000 shares of $1 par value and to issue fifteen shares for each of the 144,450 shares then issued. This stock split was recorded in the accounts by a transfer of $2,022,300 from retained earnings to the common stock account representing the par value of the increase in the number of shares.

   In November 1960, the Company sold to the public 100,000 shares of common stock held in the treasury. The excess of the proceeds from the sale of this stock over the cost thereof ($1,125,459) was recorded in the accounts as a credit to paid-in capital. This was the only change in paid-in capital during the year.

   On October 5, 1960 the stockholders approved the adoption of a restricted stock option plan and reserved for option 40,000 shares of common stock either authorized and unissued or held in the treasury. Under the plan, options may be granted to officers and employees at 95% of the fair market value of the stock on the date the options are granted except that, in the case of a participant who owns 10% or more of the voting securities of the Company, the option-price shall be not less than 110% of the fair market of the stock on the date the options are granted. As of September 30, 1961, no options had been granted.

ACCOUNTANTS' REPORT

HASKINS & SELLS

ACCOUNTANTS

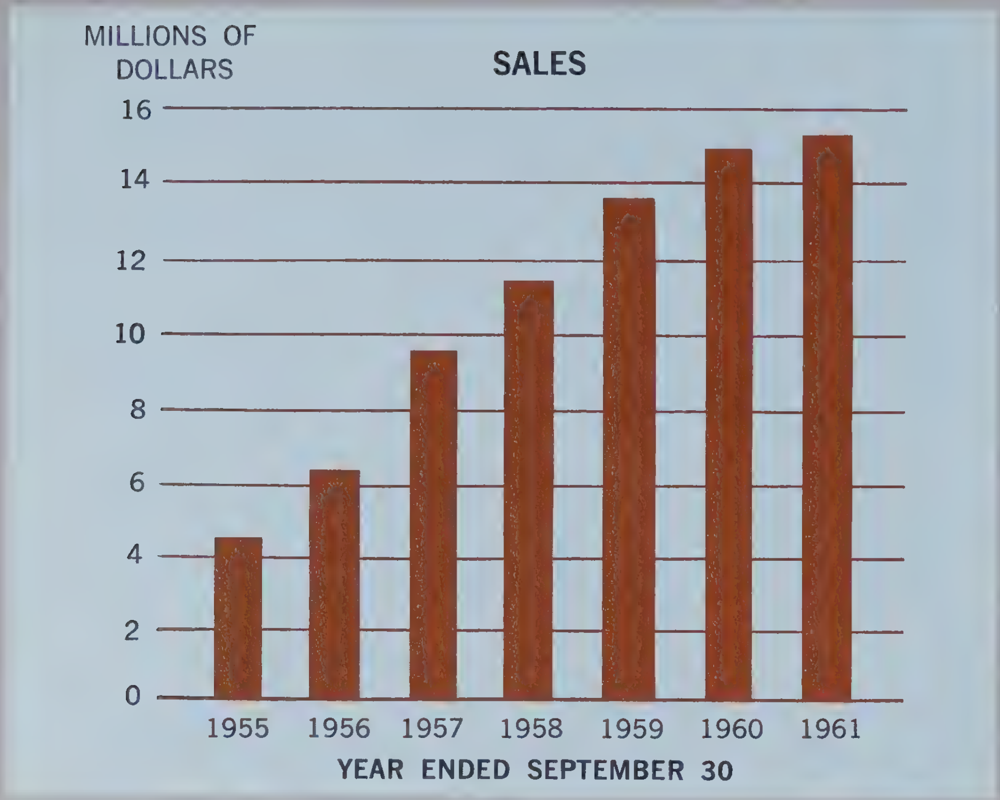
To the Board of Directors and Stockholders of
Automatic Radio Mfg. Co., Inc.:

We have examined the consolidated balance sheet of Automatic Radio Mfg. Co., Inc. and subsidiaries as of September 30, 1961 and the related statement of consolidated income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. As to the Company's two Canadian subsidiaries, we were furnished with reports of other independent accountants on their examination of the financial statements of those subsidiaries for the year.

In our opinion, which insofar as it relates to the amounts included for the Canadian subsidiaries is based solely upon the reports of other independent accountants referred to above, the accompanying consolidated balance sheet and statement of consolidated income and retained earnings present fairly the financial position of the companies at September 30, 1961 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Boston, Mass.
December 5, 1961

Haskins & Sells


MILLIONS OF DOLLARS
SALES
16
14
12
10
8
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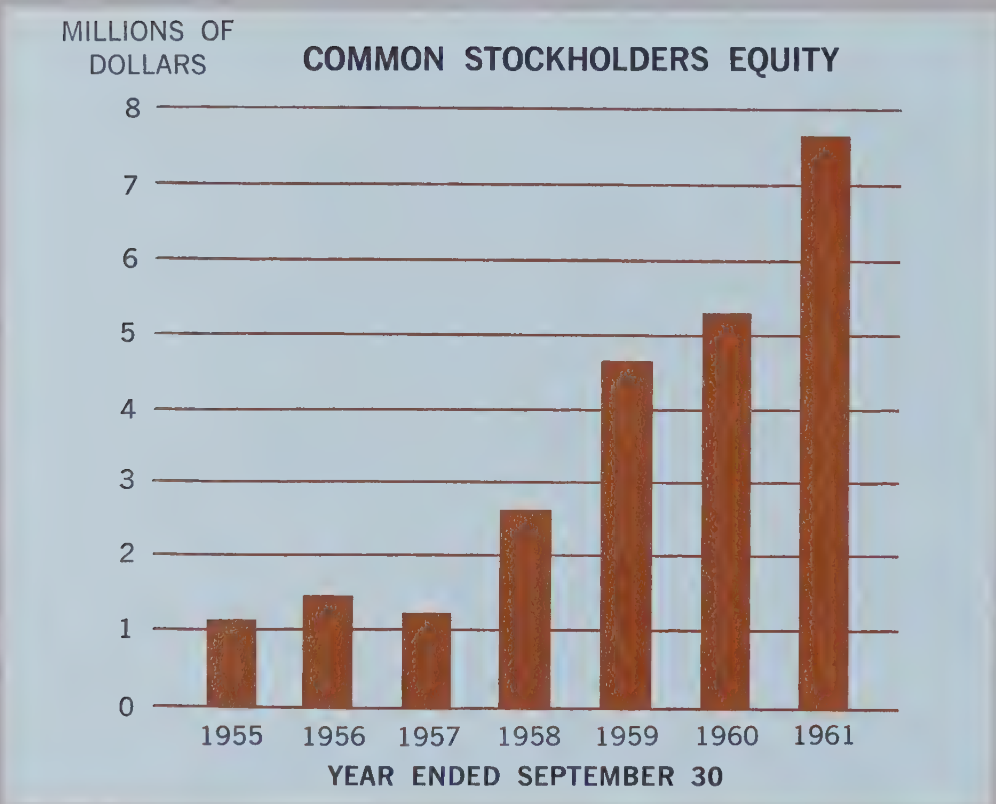
1955 1956 1957 1958 1959 1960 1961
YEAR ENDED SEPTEMBER 30


MILLIONS OF DOLLARS
COMMON STOCKHOLDERS EQUITY
8
7
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5
4
3
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1
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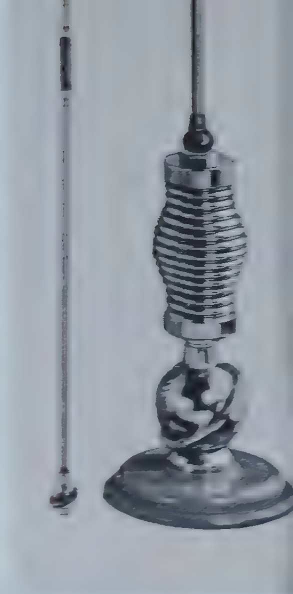
1955 1956 1957 1958 1959 1960 1961
YEAR ENDED SEPTEMBER 30

HOW AUTOMATIC RADIO'S DOLLAR WAS SPENT IN 1961

AUTOMATIC RADIO

AUTO & CITIZEN BAND ANTENNAS

A complete line of auto and citizen band antennas, replacement masts, cables and accessories. Custom designed, styled and engineered for maximum signal pick-up and ease of installation.



VORNADO AUTO AIR CONDITIONER WITH EXCLUSIVE VIONIZER

The Vornado Auto Air Conditioner circulates a maximum volume of cool air. The Vionizer produces healthful negative ions. Both combine to control the air in your car for ionic content . . . for your good, good health.

CAR RADIO

Push-button and manual tuning custom all-transistor radios. Custom-built for easy matching installations. Features custom craft circuitry and "high gain" power master transistor for greater dependability. The finest in auto radio performance and reception.

OTHER PRODUCTS

- ALL-TRANSISTOR PORTABLE RADIOS
- ALL-TRANSISTOR REVERSIBLE POLARITY TRACTOR RADIOS
- TRUCK AND BOAT RADIOS
- UNIVERSAL CAR RADIOS

SPORTAMATIC

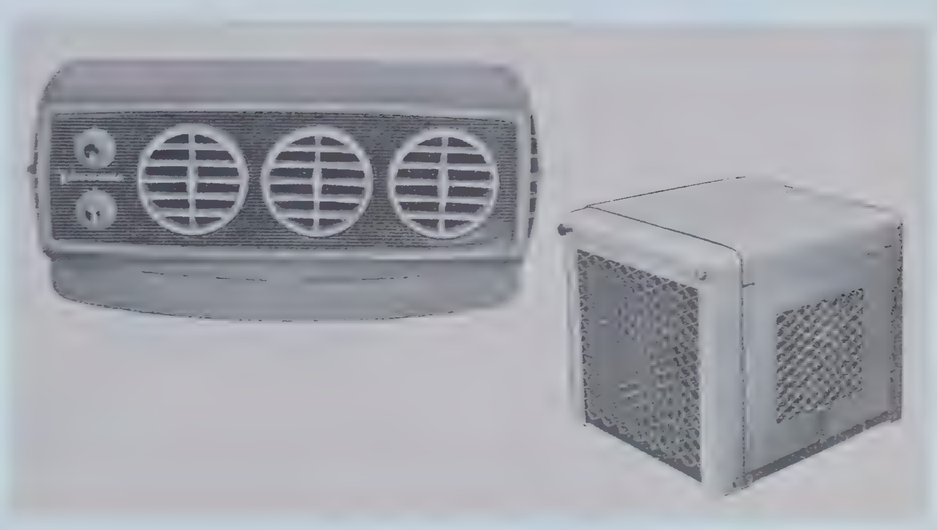
Completely transistorized portable car radio that operates inside or out of your car. Unique under-the-dash mounting cradle permits unit to automatically engage external auto antenna and car battery . . . . radio secures with lock and key.

CONVAIR P990

A smart, durable portable radio featuring 8 life-time transistors. Extremely sensitive and selective, the unit operates on six standard flashlight batteries for approximately 1000 hours. Full-size 5″ speaker, with powerful Alnico V magnet, assures fine reception. Custom crafted, the model incorporates all American components and is an excellent emergency standby radio.

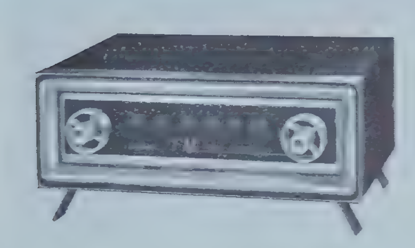
FM AUTO RADIO CONVERTER

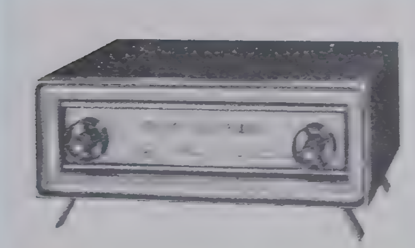
A smart, compact, all-transistor FM auto radio converter that broadcasts without static or interference, plus larger frequency range. Operates with present auto radio and antenna, simply plug into the car radio . . . for the finest in HI-FI FM reception.



TRUCK CAB AIR CONDITIONER

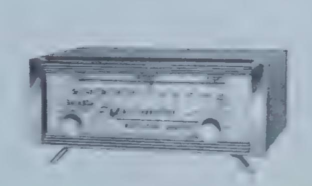
Provides more than comfort . . . it helps assure safe driving, dependable transportatioh, and better customer service. A refrigerant pre-charged unit that any mechanic can install. Self-contained power supply eliminates drain on truck motor and battery. Nation-wide service available.





FM TUNER RADIO COMBINATION
AM TUNER RADIO COMBINATION
MULTIPLEX ADAPTER

These beautiful, all-transistor tuner radios offer a new concept in listening enjoyment. Provides stereophonic reception when used in conjunction with multiplex adapter. Each tuner radio combination can operate as a . . . . tuner . . . . radio . . . . or amplifier.



AUTOMATIC RADIO MFG. CO., INC.
122 BROOKLINE AVENUE, BOSTON, MASS.

BOSTON CLEVELAND DALLAS TORONTO

progress through achievement

Printed in U.S.A.

UNDERWRITING

The names of the several Underwriters and the percentage of the 100,000 shares of Common Stock offered by the Company and of the 223,750 shares offered by the Selling Stockholders, which each Underwriter has severally agreed to purchase, are as follows:

		% of Shares to be Purchased
Paine, Webber, Jackson & Curtis	24 Federal Street Boston 10, Massachusetts	13.982
Harriman Ripley & Co., Incorporated	63 Wall Street New York 5, New York	3.209
Hornblower & Weeks	40 Wall Street New York 5, N. Y.	3.209
Lee Higginson Corporation	20 Broad Street New York 5, N. Y.	3.209
Smith, Barney & Co. Incorporated	20 Broad Street New York 5, N. Y.	3.209
A. C. Allyn and Company, Incorporated	122 South La Salle Street Chicago, Illinois	2.572
Bache & Co.	36 Wall Street New York 5, N. Y.	2.572
Blair & Co. Incorporated	20 Broad Street New York 5, N. Y.	2.572
Dempsey-Tegeler & Co.	1000 Locust Street St. Louis 1, Missouri	2.572
Francis I. duPont & Co.	One Wall Street New York 5, N. Y.	2.572
Equitable Securities Corporation	Two Wall Street New York 5, N. Y.	2.572
Estabrook & Co.	15 State Street Boston 9, Massachusetts	2.572
Hayden, Stone & Co.	25 Broad Street New York 4, New York	2.572
Hemphill, Noyes & Co.	15 Broad Street New York 5, N. Y.	2.572
Reynolds & Co., Inc.	120 Broadway New York 5, New York	2.572
Shearson, Hammill & Co.	14 Wall Street New York 5, N. Y.	2.572
Shields & Company	44 Wall Street New York 5, N. Y.	2.572
Tucker, Anthony & R. L. Day	120 Broadway New York 5, N. Y.	2.572
Alex. Brown & Sons	135 East Baltimore Street Baltimore 2, Maryland	1.770

Fulton, Reid & Co., Inc.	1186 Union Commerce Building Cleveland 14, Ohio	1.770
Granbery, Marache & Co.	67 Wall Street New York 5, New York	1.770
Loewi & Co. Incorporated	225 East Mason Street Milwaukee 2, Wisconsin	1.770
McDonald & Company	Union Commerce Bldg. Cleveland 14, Ohio	1.770
The Milwaukee Company	207 East Michigan Street Milwaukee 2, Wisconsin	1.770
Prescott, Shepard & Co., Inc.	900 National City Bank Building Cleveland 14, Ohio	1.770
Schwabacher & Co.	100 Montgomery Street San Francisco 4, California	1.770
J. Barth & Co.	404 Montgomery Street San Francisco 4, California	1.274
Courts & Co.	11 Marietta Street, N.W. Atlanta 3, Ga.	1.274
Crowell, Weedon & Co.	629 South Spring Street Los Angeles 14, California	1.274
Cruttenden, Podesta & Co.	209 South La Salle Street Chicago 4, Illinois	1.274
Davis, Skaggs & Co.	111 Sutter Street San Francisco 4, California	1.274
Jones, Kreeger & Co.	1625 Eye Street, N.W. Washington 6, D. C.	1.274
Putnam & Co.	6 Central Row Hartford 4, Conn.	1.274
Reinholdt & Gardner	400 Locust Street St. Louis 2, Mo.	1.274
Saunders, Stiver & Co.	One Terminal Tower Cleveland 13, Ohio	1.274
H. C. Wainwright & Co.	60 State Street Boston 9, Massachusetts	1.274
Winslow, Cohu & Stetson Incorporated	26 Broadway New York 4, N. Y.	1.274
Goodbody & Co.	2 Broadway New York 4, New York	.968
Halle & Stieglitz	52 Wall Street New York 5, New York	.968
Mann and Creesy	70 Washington Street Salem, Massachusetts	.968
McCormick & Co.	231 South La Salle Street Chicago 4, Illinois	.968

The Robinson-Humphrey Company, Inc.	2000 Rhodes-Haverty Building Atlanta 3, Georgia	.968
Rodman & Renshaw	209 South La Salle Street Chicago 4, Illinois	.968
Townsend, Dabney & Tyson	30 State Street Boston 5, Massachusetts	.968
C. E. Unterberg, Towbin Co.	61 Broadway New York 6, N. Y.	.968
Ferris & Company	611 — 15th St., N.W. Washington 5, D. C.	.638
Howard, Weil, Lobouisse, Friedrichs and Company	222 Carondelet Street New Orleans 12, Louisiana	.638
Newburger & Company	1401 Walnut Street Philadelphia 2, Pennsylvania	.638
Stewart-Eubanks-Meyerson & Co.	216 Montgomery Street San Francisco 4, California	.638
Henry F. Swift & Co.	490 California Street San Francisco 4, Calif.	.638
Willis, Kenny & Ayres, Inc.	205 West Franklin Street Richmond 4, Virginia	.638
		100.000

The Underwriters are bound to purchase the shares of Common Stock offered hereby in the respective amounts set forth above, subject to the terms and conditions specified in the Underwriting Agreement filed as an Exhibit to the Registration Statement. A finder's fee of $37,500 will be payable by the Underwriters to Franklin F. Kates upon the consummation of the offering contemplated hereby. In the Underwriting Agreement the Company and the Selling Stockholders have made certain representations and warranties to the Underwriters, as to, among other things, the accuracy of this Prospectus and the Registration Statement.

None of the above-named Underwriters is affiliated with the Company except that Albert Pratt, who is a Director of the Company, is a Partner of the firm of Paine, Webber, Jackson & Curtis.

Each of the Selling Stockholders has agreed, pursuant to a form of agreement filed as an Exhibit to the Registration Statement, not to sell any Common Stock of the Company other than to the Underwriters, with certain exceptions, for a period of three months after the date of the initial public offering by the Underwriters.

OPINIONS OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors of

Automatic Radio Mfg. Co., Inc.:

We have examined the combined balance sheet of Automatic Radio Mfg. Co., Inc. and its subsidiaries as at September 30, 1960 and the combined statement of income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered practicable and reasonable in the circumstances as further commented upon in the following paragraph.

The accounting records maintained by the companies and the systems of internal accounting control were not adequate in certain respects, and therefore it was necessary for us to extend our auditing tests to an appreciable extent. We observed the taking of physical inventories at June 30, 1960 and at September 30, 1960, but we did not carry out this auditing procedure at September 30, 1959 because we were not engaged as auditors of the companies until June, 1960. In order to establish the reasonableness of the September 30, 1959 inventories, we made extended tests of available inventory summaries, suppliers' invoices and statements, and records of sales, purchases, labor and overhead costs, and we relied to some degree on estimates derived from such records and other data. Since we had to rely to some degree on estimates, our tests were not conclusive in certain particulars, but, insofar as our tests extended, nothing came to our attention which in our judgment would indicate that the inventory amount at September 30, 1959 which was used to compute the cost of sales for the year ended September 30, 1960 is not reasonably stated.

In our opinion, the accompanying combined balance sheet and the combined statement of income and retained earnings included elsewhere in this Prospectus present fairly the combined financial position of Automatic Radio Mfg. Co., Inc., and its subsidiaries at September 30, 1960 and, with the foregoing explanation regarding inventories, the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the year ended September 30, 1959.

PRICE WATERHOUSE & CO.

November 9, 1960, except as to the acquisition of four companies as explained in Notes A and E of the Notes to Financial Statements for which the date is November 16, 1960.

To the Board of Directors of

AUTOMATIC RADIO MFG. CO., INC.:

I have examined the combined statements of Automatic Radio Mfg. Co., Inc. and its subsidiaries reflecting the combined income and retained earnings for the five fiscal years ended September 30, 1959. My examination was made in accordance with generally accepted auditing standards, including such tests of the accounting records and other auditing procedures as was considered reasonable and practicable in the circumstances as detailed below.

I was unable to observe the taking of physical inventories during the five year period ended September 30, 1959 because I was not engaged to audit the five year period until January, 1960. However, I have subsequently examined and tested the detailed inventory lists as to reasonableness based on gross profit ratios, invoicing by suppliers and comparisons with units shipped for the five years ended September 30, 1959 and I have also taken into consideration the results of the physical inventory taken by the Company at June 30, 1960, which was observed by Price Waterhouse & Co., as mentioned in their accompanying opinion. Since certain of my tests were based upon estimates, my tests were not conclusive and there may be variations which would affect the reported earnings. To the extent that my tests were made, nothing came to my attention which in my judgment would indicate that the inventory amounts used in each of the five years ended September 30, 1959 in computing the cost of sales were not reasonably stated.

In my opinion, with the foregoing explanation regarding inventories, the accompanying statements of combined income and retained earnings for the five years ended September 30, 1959 for Automatic Radio Mfg. Co., Inc. and its subsidiaries included elsewhere in this Prospectus present fairly the results of operations of the company and its subsidiaries for the five years ended September 30, 1959, in conformity with generally accepted accounting principles applied on a consistent basis throughout the period.

M. JAY CHAIKIN

New York, New York
September 6, 1960, except as to the acquisition of four companies as explained in Notes A and E of the Notes to Financial Statements for which the date is November 16, 1960.

AUTOMATIC RADIO MFG. CO., INC.
AND SUBSIDIARIES

COMBINED BALANCE SHEET — SEPTEMBER 30, 1960

ASSETS

Current assets:		
Cash		$1,455,303
Accounts and notes receivable:		
Trade	$1,966,400	
Stockholder	2,600	
Financing loans to distributors, etc.	309,644	
	$2,278,644	
Less — Allowance for doubtful accounts	25,987	2,252,657
Inventories (Note B)		3,972,185
Prepaid insurance and other current assets		56,707
Total current assets		$7,736,852
Plant assets (Notes C and D):		
Land	$ 298,650	
Buildings	1,014,709	
Machinery and equipment	508,020	
Leasehold improvements	7,594	
	$1,828,973	
Less — Depreciation and amortization	334,136	1,494,837
Mortgage note receivable from affiliate		115,000
		$9,346,689

LIABILITIES

Current liabilities:	
Note payable to bank	$ 25,000
Accounts payable	857,450
Mortgage note payable, instalments due within one year	4,766
Amounts payable to profit sharing fund	228,580
Advances from officers	44,561
Sundry accrued liabilities	102,090
Federal, state and Canadian income taxes	1,542,765
Total current liabilities	$2,805,212
Mortgage note payable, instalments due after one year (Note D)	$ 78,163
Capital and retained earnings (Notes A and E):	
Preferred stock, 5% cumulative, par value $100 per share	
Authorized and issued — 10,559 shares	$1,055,900
Common stock, par value $1 per share	
Authorized — 200,000 shares	
Issued — 144,450 shares	144,450
Other capital, in excess of par value of capital stock	115,424
Retained earnings	5,268,825
	$6,584,599
Less — Cost of 20,449 shares of common stock held in treasury	121,285
	$6,463,314
Commitments (Note G)	
	$9,346,689

AUTOMATIC RADIO MFG. CO., INC.
AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

NOTE A — *Principles Observed in Combining the Financial Statements of the Various Companies*

The combined financial statements include the accounts of Automatic Radio Mfg. Co., Inc. and its eleven wholly-owned subsidiary companies, one of which was liquidated in September 1960 and is now operated as a division of the Company. Three of the subsidiaries were acquired for cash in 1957 and 1958 from principal stockholders of the Company. Four additional subsidiaries were organized by the Company in 1958 and 1959.

The remaining four subsidiaries were acquired as of June 30, 1960 from principal stockholders of the Company under the terms of a purchase and sale agreement described more fully in Note E. Briefly, this latter acquisition involved the creation by the Company of a new issue of 5% Cumulative Preferred Stock, par value $100 per share, 10,559 shares of which were issued by the Company in exchange for all of the capital stocks of the four companies. The $1,055,900 par value of the preferred stock issued was the approximate aggregate amount of the underlying net assets of the four companies as of June 30, 1960 as shown on their books. The assets and liabilities of the four companies as of June 30, 1960, and the exchange of the Company's preferred stock for their capital stocks are summarized below:

Current assets:		
Cash	$ 544,088	
Accounts receivable	335,230	
Inventories	597,880	
Other current assets	8,637	$1,485,835
Less — Current liabilities		348,417
Net current assets		$1,137,418
Plant assets, less depreciation		19,698
Mortgage note receivable from affiliate		117,500
		$1,274,616
Less — Net amount payable to the Company by the four companies		218,656
Resulting excess of assets over liabilities, represented by:		
Capital stock of the four companies	$ 4,000	
Retained earnings of the four companies	1,051,960	$1,055,960
Adjustment in lieu of fractional shares, credited to other capital		60
Par value of 10,559 shares of 5% Cumulative Preferred Stock issued in exchange for the capital stocks of the four companies		$1,055,900

The financial statements of the eleven subsidiaries referred to above have been included with those of the Company in the accompanying combined financial statements for the six years ended September 30, 1960 on the basis that the respective subsidiaries were related to the Company during the entire period, or such lesser period since their inception, by common ownership and management.

The accounts of two Canadian subsidiaries included among the four companies acquired as of June 30, 1960 have been converted to U. S. dollars at par.

The Company's investments in its wholly-owned subsidiaries, carried on the Company's books as of September 30, 1960 at an aggregate cost of $2,832,900, exceeded by $864,308 its equity in the underlying net assets, as shown by the books of the subsidiaries. This excess is accounted for in the combined financial statements of the Company and its subsidiaries as follows:

Charged to:	
Plant assets, representing excess of cost of the Company's investment in two realty subsidiaries over the amount of their net assets as recorded on their books at dates of acquisition (Note C)	$ 938,967
Credited to:	
Retained earnings, representing the combined net earnings of all subsidiaries since dates of acquisition	(67,035)
Credited to other capital (Note E)	(7,624)
	$ 864,308

All significant intercompany balances, unrealized profits, sales and other transactions have been eliminated from the combined financial statements.

Note B — *Inventories*

The inventories are stated at the lower of approximate cost (first-in, first-out) or market. Inventories used in computing cost of sales were as follows:

September 30, 1957	$ 964,233
September 30, 1958	1,435,849
September 30, 1959	2,025,215
September 30, 1960	3,972,185

At September 30, 1960, inventories comprised the following:

Raw materials and parts	$2,072,527
Work in process	364,948
Finished goods	1,534,710
	$3,972,185

A substantial portion of the increase in inventories between September 30, 1959 and September 30, 1960 is attributable to the auto air conditioning and antennae businesses in which manufacturing operations were carried on for the first time during the year ended September 30, 1960.

NOTE C — *Plant Assets and Depreciation Policy*

The plant assets in the combined balance sheet as of September 30, 1960 include $1,233,359 for certain land and buildings owned by two wholly-owned realty subsidiaries. The two subsidiaries were acquired by the Company for cash from its principal stockholders in 1957 and 1958. The original cost of these properties to the subsidiaries in 1945 and 1946 was $294,392. The $938,967 difference between the cost of these properties to the subsidiaries and the amount included in land and buildings in the combined balance sheet represents the excess of the aggregate consideration paid by the Company to its stockholders in 1957 and 1958 for the capital stocks of the two subsidiaries over the aggregate amounts of their net assets at the respective dates of acquisition as recorded on their books. In the combined statement of income and retained earnings depreciation has been provided for on the portion of the excess allocated to buildings ($749,371) from the respective dates of acquisition by the Company in 1957 and 1958. The charges for depreciation on such excess amounted to $11,316 in the year ended September 30, 1958 and $18,734 in each of the years ended September 30, 1959 and 1960. Appraisals of the current fair market value of the land and buildings, obtained by the Company from Russell H. Craig, an independent appraiser, support the amount, $1,233,359, at which they are included in the combined balance sheet.

Other plant assets of the Company and its subsidiaries were acquired for the most part from outsiders and are stated at approximate cost.

The Company and its subsidiaries compute depreciation on depreciable properties on the straight-line method at rates based on estimated useful lives. Annual rates of depreciation, which are applied to the gross book value of properties not fully-depreciated, are as follows:

	Per Cent
Buildings	2
Machinery and equipment	10 to 15
Automobiles	25
Furniture and fixtures	10

Additions, renewals and betterments of plant assets, unless of relatively minor amount, are capitalized. Expenditures for maintenance and repairs are charged to income. The cost of plant assets retired or sold, together with the related allowance for depreciation, is cleared from the books, and any difference, adjusted for proceeds from sale, is charged or credited to income. With minor exceptions, it has been the policy of the Company and its subsidiaries to charge income with the cost of leasehold improvements. Such charges have not been material.

NOTE D — *Mortgage Note Payable*

The mortgage note payable is secured by a first mortgage on premises occupied by the Company on Brookline Avenue in Boston. The original amount of the note was $138,896. The balance owing at September 30, 1960 is payable $1,800 quarterly, including interest of 3% per annum.

NOTE E — *Recapitalization and Stock Option Plan*

By a purchase and sale agreement dated as of June 30, 1960, the Company purchased all of the shares of capital stock of four companies owned by principal stockholders of the Company. In consideration for the sale and delivery of the shares of the companies being acquired, the Company issued to the sellers shares of the Company's 5% Cumulative Preferred Stock of a par value of $100 per share on the basis of one share of such Preferred Stock for each $100 of the excess of the stated assets of the four companies over their liabilities, as explained in Note A.

The total amount of the Preferred Stock authorized and issued on the above basis is 10,559 shares with a total par value of $1,055,900. The Preferred Stock terms provide that dividends will accrue from June 30, 1960, and that holders of the Preferred Stock will be entitled to $100 per share plus unpaid dividends in the event of liquidation of the Company or redemption. The Preferred Stock is subject to redemption in whole or in part at the option of the Company by vote of the Board of Directors. At September 30, 1960, $13,189 of dividends on the Preferred Stock had accrued but had not been declared and are not reflected in the accompanying financial statements.

There were no changes in the authorized and issued shares of Common Stock of the Company from September 30, 1949 to September 30, 1960.

At a meeting of the stockholders of the Company held October 20, 1960, it was voted to increase the authorized Common Stock from 200,000 shares of $1 par value to 3,000,000 shares of $1 par value and to issue fifteen shares for each share of the 144,450 shares then issued. This stock split is to be recorded in the accounts by a transfer of $2,022,300 from retained earnings to the Common Stock account, the par value of the increase in the number of shares.

A summary of the changes in other capital during the period from September 30, 1949 to September 30, 1960 is set forth below:

Balance at September 30, 1949 (representing excess of proceeds over par value of Common Stock sold)	$107,800
December 31, 1956—Excess of underlying net assets of subsidiary purchased over Company's acquisition cost	7,564
June 30, 1960—Adjustment in lieu of fractional Preferred Stock shares, in respect of four companies acquired	60
Balance at September 30, 1960	$115,424

On October 20, 1960 the stockholders approved the adoption of a restricted stock option plan. Under the plan options to purchase 40,000 shares of the Company's Common Stock may be granted to officers and employees at 95% of the fair market value on the date the options are granted.

Note E—*Recapitalization and Stock Option Plan* (Continued)

except that, in the case of a participant who owns 10% or more of the voting securities of the Company, the option price shall be not less than 110% of the fair market value on the date the options are granted.

Note F — *Profit Sharing Retirement Plan*

The profit sharing retirement plan of the Company is described in this Prospectus under the caption "Profit Sharing Retirement Plan". Contributions under the terms of this plan have been accrued and charged to earnings for the three years ended September 30, 1960 as follows:

Year ended September 30:	
1958	$232,889
1959	215,694
1960	228,580

Note G — *Commitments*

Certain of the plants occupied by the Company and its subsidiaries in Boston, Cleveland and Toronto are leased. The aggregate annual rentals under these leases amount to about $90,000. The leases expire at various dates to August, 1963.

In connection with the proposed expansion of its auto air conditioning and antennae businesses the Company contemplates that about $1,000,000 will be expended for additional plant assets. Commitments have been made for about $250,000 of the contemplated expenditures.

NOTE H — *Supplementary Profit and Loss Information*

Item	Year ended September 30 1958	1959	1960
Charged directly to cost of sales:			
Maintenance and repairs	$ 35,172	$ 19,978	$ 49,801
Depreciation and amortization	44,964	48,864	58,635
Taxes, other than United States and Canadian income taxes*	62,517	68,680	113,856
Rent	37,475	59,175	111,717
Charged to other expense accounts:			
Maintenance and repairs			$ 1,595
Depreciation and amortization	$ 9,069	$ 17,630	26,456
Taxes, other than United States and Canadian income taxes*	205,208	311,908	285,607
Royalties	9,995	967	
* Taxes comprise:			
Payroll	$ 43,048	$ 54,130	$ 98,167
Property	33,739	33,344	36,700
State and provincial	190,938	293,114	264,596

No management or service contract fees were incurred in any of the above periods.

PRESS OF GEO. H. DEAN CO., BOSTON

9. WHOLLY OWNED SUBSIDIARY COMPANIES

NAME	YEAR OF INCORPORATION	PLACE OF INCORPORATION
Auto Air Conditioner Corp. Authorized 500 Common shares—no par—Issued and outstanding 1 share	1959	Massachusetts
Autobiotronics Industries, Inc. Authorized 5,000 Common shares—no par—Issued and outstanding 1,000 shares.	1961	Massachusetts
Automatic Export Sales Corp. Authorized 5,000 Common shares—$1 par—Issued and outstanding 1,000 shares.	1946	Massachusetts
Automatic Finance Corp. Authorized 1,000 Common shares —no par—Issued and outstanding 503 shares.	1958	Massachusetts
Automatic Radio Mfg. of Texas, Inc. Authorized 1,000 Common shares—no par—Issued and outstanding 1,000 shares.	1961	Texas
Automatic Radio of Canada, Ltd. Authorized 1,000 Common shares—$10 par—Issued and outstanding 100 shares.	1952	Canada
Automatic Radio Sales, Inc. Authorized 5,000 Common shares—no par—Issued and outstanding 1,000 shares.	1961	Massachusetts
Brookline Avenue Realty Corp. Authorized 50 Common shares—$1,000 par—Issued and outstanding 15 shares.	1945	Massachusetts
Crystal Radio of Canada, Ltd. Authorized 4,000 Common shares—$1 par—Issued and outstanding 1,000 shares.	1952	Canada
Multiplex Corp. Authorized 1,000 Common shares—no par—Issued and outstanding 100 shares.	1961	Massachusetts
New-Tronics Corp. Authorized 250 Common shares—no par—Issued and outstanding 250 shares.	1959	Cleveland, Ohio
Thirty Washington, Inc. Authorized 5,000 Common shares—$100 par—Issued and outstanding 30 shares.	1946	Massachusetts
Trans-American Corp. Authorized 5,000 Common shares—no par—Issued and outstanding 250 shares.	1953	Massachusetts
Vornado Air Conditioner Corp. Authorized 500 Common shares—no par—Issued and outstanding 100 shares.	1959	Massachusetts
Vornado Leasing Corp. Authorized 1,000 Common shares—$100 par—Issued and outstanding 100 shares.	1960	Massachusetts
Wood Products Company Authorized 1,000 Common shares—no par—Issued and outstanding 100 shares.	1939	Massachusetts

10. CONSOLIDATED FUNDED DEBT

There is no funded debt.

11. OPTIONS

On October 5, 1960 the stockholders approved the adoption of a restricted stock option plan and reserved for option (after giving effect to a subsequent 4% stock dividend) 41,600 shares of common stock either authorized and unissued or held in the treasury. Under the plan, options may be granted to officers and employees at 95% of the fair market value of the stock at date granted except that, in the case of a participant who owns 10% or more of the voting securities of the company, the option price shall be not less than 110% of the fair market value.

No options have been granted through June 20, 1962.

12. LISTING ON OTHER STOCK EXCHANGES

The Company's Common Stock is listed on the American Stock Exchange.

13. STATUS UNDER SECURITY ACTS

The Company has never made any filings with or obtained registration, approval or qualification by the Quebec Securities Commission, the Ontario Securities Commission or any corresponding government body or authority in Canada. The Company does file with the Securities and Exchange Commission reports required under the Securities and Exchange Act of 1934.

14. FISCAL YEAR

The fiscal year of the Company ends on September 30th of each year.

15. ANNUAL MEETING

The By-Laws of the Company provide that the Stockholders Annual Meeting shall be held on the third Thursday of December in each year in Massachusetts or such other time as specified by the President. The last Special Meeting in place of the Annual Meeting was held on January 18, 1962 at the Sheraton Plaza Hotel at 138 St. James Avenue, Boston, Massachusetts.

16. HEAD AND OTHER OFFICES

The Company's head office is located at 122 Brookline Avenue, Boston, Massachusetts. It also maintains offices at other locations as listed in Section 8.

17. TRANSFER AGENTS

The Transfer Agent of the Company in Canada is the Montreal Trust Company, 15 King Street, West, Toronto 1, Ontario, Canada. The Company's share certificates are actually interchangeable at both Canadian and United States transfer offices. The United States Transfer Agents are the State Street Bank and Trust Company, Boston, Massachusetts and The Chase Manhattan Bank, New York, New York.

18. TRANSFER FEE

No fee is charged on the transfer of the Common Shares of the Company, other than the customary stock transfer taxes.

19. REGISTRAR

The Registrars of the Company are the Montreal Trust Company, 15 King Street West, Toronto 1, Ontario, Canada—The National Shawmut Bank of Boston, Boston, Massachusetts—Morgan Guarantee Trust Company, New York, New York.

20. AUDITORS

The auditors of the Company are Haskins & Sells, 80 Federal Street, Boston, Massachusetts.

21. OFFICERS

TITLE	NAME	ADDRESS
President	David Housman	122 Shore Drive Winthrop, Mass.
Vice-President	Edward L. Housman	28 Boulder Road Newton, Mass.
Treasurer	Charles J. Housman	118 Brandeis Road Newton, Mass.
Clerk	John J. Grady	107 Columbine Road Milton, Mass.

22. DIRECTORS

NAME	ADDRESS
David Housman	122 Shore Drive, Winthrop, Mass.
Charles J. Housman	118 Brandeis Road, Newton, Mass.
Edward L. Housman	28 Boulder Road, Newton, Mass.
John J. Grady	107 Columbine Road, Milton, Mass.
Roy W. Lawson	40 Norton Street, Braintree, Mass.
Albert Pratt	21 Essex Road, Chestnut Hill, Miss.

CERTIFICATE OF OFFICERS

"Pursuant to a resolution duly passed by its Board of Directors, the applicant company hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange, and the undersigned officer thereof hereby certifies that the statements and representations made in this application and in the documents submitted in support thereof are true and correct."

"CHARLES J. HOUSMAN"

Corporate Seal

Treasurer

STATEMENT SHOWING NUMBER OF SHAREHOLDERS

Distribution of common stock as of April 10, 1962

Number			Shares
965	Holders of	1 — 100 Share lots	55,558
571	" "	101 — 200 " "	83,352
159	" "	201 — 300 " "	54,228
34	" "	301 — 400 " "	31,295
33	" "	401 — 499 " "	33,530
58	" "	500 —1000 " "	37,239
59	" "	1001 — up " "	1,743,213
1,879	Stockholders	Total shares,	2,038,415*

*Does not include 128,335 shares in the company's treasury.